

| UTAH DEPARTMENT OF HUMAN SERVICES POLICY AND PROCEDURES | | |
|---|---|-------------|
| Reference: 02-02 | Effective Date: July 1, 1991 Revision Date: May 22, 2000 | Page 1 of 6 |
| Subject: CONFLICT OF INTEREST | | |
| Rationale: To ensure that the private or outside economic, social or political activities of Department employees, volunteers and Division Board members do not interfere (or have the appearance of interfering) with employees' or board members' duties and responsibilities as an agent of the State, or raise a reasonable question about the potential for such interference. | | |

I. Department Policy:

Department of Human Services (DHS) employees shall receive a copy of this policy and be informed by their supervisor and/or in New Employee Orientation. Employees, volunteers and board members are required to complete the DHS Conflict of Interest Declaration prior to engaging in any outside employment or any volunteer activity that could result in a conflict of interest or potential conflict of interest.

A. Policy Statements:

1. Employees of the Department and members of Division Policy Boards shall comply with and abide by all provisions of Utah Code Ann. §§ 67-16-1 et. seq., Utah Public Officers' and Employees' Ethics Act, Department of Human Resources Management Rules R477-9-1 through 4, as well as all provisions of this policy.
2. No employee of the Department or Division Policy Board member shall accept employment; have substantial interest in a business of any kind; or participate in any activities, including volunteer activities that are conflicts of interest or potential conflicts of interest.
3. Responsibility to comply with the Ethics Act, Department of Human Resource Management Rules, and this policy rests with individual employees and board members. It is not the responsibility of the Department to keep employees and board members out of conflict situations or those that are potential conflicts of interest.
4. It is the responsibility of Department employees and Division Policy Board members to ensure that they are not, or will not, become involved with employment or activities including volunteer activities which are conflicts of interest or potential conflicts of interest.
5. All full-time, part-time, contract employees, board members or volunteers shall submit a completed Conflict of Interest Declaration form to their supervisor before accepting any outside employment or becoming involved in activities which could be a conflict of interest or a potential conflict of interest.
6. Upon hire or appointment or annually on July 1 employees currently involved in outside employment or participating in activities where there could arise a conflict of interest or potential conflict of interest shall file a completed Conflict of Interest Declaration form. In addition, whenever an employee or board member's position with regard to such outside employment or activities changes, a new form shall be filed before the change takes place, or within 30 days of such change if it is not possible to submit the Declaration beforehand.

| UTAH DEPARTMENT OF HUMAN SERVICES POLICY AND PROCEDURES | | |
|--|---|-------------|
| Reference: 02-02 | Effective Date: July 1, 1991 Revision Date: May 22, 2000 | Page 2 of 6 |
| Subject: CONFLICT OF INTEREST | | |

- B. **Definitions:** For the purpose of this policy the following definitions will be used:
1. **Conflict of Interest** is defined as a situation where a DHS employee's, board member's or volunteer's private or outside economic, social, political, or volunteer interests interfere (or have the appearance of interfering) with that employee's, board member's or volunteer's duties and responsibilities as an agent of the State.
 2. **Potential Conflict of Interest** is defined as any situation where an employee's, volunteer's or board member's private or outside economic, social, political, or volunteer activities rise to the level where there is a "substantial likelihood" that a conflict of interest could take place or exist.
 3. **Substantial Interest** means the ownership, either legally or equitably, by an employee or board member, their spouse, or their minor children, of at least 10% of the outstanding capital stock of a corporation or at least 10% in any other business entity.

II. **Guidelines:**

- A. In determining whether a conflict or potential conflict of interest exists the Department will take into consideration all relevant information that can help in the decision. Employees seeking to engage in outside employment or activities must supply relevant information regarding the activity or employment sought to be approved as well as information regarding his/her work for the Department. Relevant information might include such things as: position, authority, decision making involvement, contacts, clients, programs, access to information, interaction with government, location, etc.
- B. A variety of situations including the situations listed below could determine if there is a conflict of interest or a potential conflict of interest. (The situations listed below are examples given for the employee's, volunteer's or board member's understanding and are not intended to include every possible scenario):
- C. Political Conflicts
1. Using, or attempting to use, one's position within the Department to secure special privileges or exemptions for self or others.
(*This situation cannot be considered for approval.*)
 2. Engaging in a business venture with an organization that is conducting business with the Department or that is soliciting business from the Department.
 3. Representing clients from outside employment before any State agency, board, committee, or other state entity.
 4. Having financial or other interests in the firms selected for award of State contracts.

| UTAH DEPARTMENT OF HUMAN SERVICES POLICY AND PROCEDURES | | |
|--|---|-------------|
| Reference: 02-02 | Effective Date: July 1, 1991 Revision Date: May 22, 2000 | Page 3 of 6 |
| Subject: CONFLICT OF INTEREST | | |

5. Participating in outside volunteer service that is involved with the programs or clients of the Department, including service on a policy making or advisory board of an institution or agency which contracts with or provides services for the Department.
6. Hatch Act: During work time or during off time, when an employee's principal activity is directly related to a federally-financed program (even if their salary is not paid by the federal program), employees may not: 1) use their position and authority to influence or affect the outcome of an election or nomination; 2) coerce other employees to make contributions for political purposes; or; 3) be a candidate for a political office. (See: Hatch Act and Attorney General's Opinion No. 92-18 dated July 27, 1995.)
(This situation cannot be considered for approval.)

D. Related-Party Conflicts

1. Soliciting political contributions from other State employees or anyone during hours of employment.
(This situation cannot be considered for approval.)
2. Directly supervising individuals with whom you have external relationships: family, shared external investments, ties to your household, etc.
3. Having personal investments or ownership interest in any business entity where such investment or interest creates a conflict between the employee's private interests and public duties.
4. Being employed by the Department or being a board member and related through blood or marriage to a director, officer, partner, or others with the authority to make decisions for and in behalf of an organization that is contracting with the State.
5. Being employed by the Department or being a board member and having a business relationship of substantial interest or financial gain with a director, officer, partner, or others with the authority to make decisions for and in behalf of an organization that is contracting with the State.

E. Time Conflicts

1. Engaging in volunteer or other unpaid service for any employer during the same hours one is scheduled to be working for the Department unless approved.
2. Being incapable of performing at full capacity for the Department because of fatigue, anxiety, or other impairments caused by outside activities.
3. Using Department work time for activities other than Department business, including paid work for another employer,
(This situation cannot be considered for approval.)

| UTAH DEPARTMENT OF HUMAN SERVICES POLICY AND PROCEDURES | | |
|--|---|-------------|
| Reference: 02-02 | Effective Date: July 1, 1991 Revision Date: May 22, 2000 | Page 4 of 6 |
| Subject: CONFLICT OF INTEREST | | |

4. Performing State duties to obtain outside compensation (e.g. kickbacks, patents, etc.)
(This situation cannot be considered for approval.)
 5. Engaging in political activity during work time.
(This situation cannot be considered for approval.)
 6. Compromising work responsibilities to expedite outside personal gains.
(This situation cannot be considered for approval.)
- F. Personal Gain Conflicts *(None of the following situations may be considered for approval.)*
1. Disclosing information acquired by reason of position with the Department for the private gain or benefit of oneself or others.
 2. Utilizing the Department's resources and/or materials for purposes other than those required in the position held with the Department.
 3. Developing non-professional or non-work related relationships with one's own clients or clients for whom there is a supervisory assignment.
 4. Accepting any gift, offer of travel, unusual hospitality or anything valued at \$50.00 or more provided by any person or entity in connection with any business or transaction of the State and given to employees, board members, or their immediate family members.
 5. Exploiting one's position over other employees for personal favors and/or gain.
- G. Employer Conflicts
1. Accepting employment or volunteer responsibilities that would impair independence of judgment in the performance of Department duties.
 2. Being involved in any outside employment or activity that may require improper disclosure or use of information obtained through Department sources. (See: Utah Code Section 67-16-4.)
 3. Accepting other employment that one might expect would interfere with the ethical performance of one's public duties.
- H. Other areas specifically mentioned in the Utah Code 67-16.

III. Approval Procedures:

- A. The employee's immediate supervisor, unless otherwise directed by the employing Division/Office Director, shall review and approve or deny in writing the outside

employment and the activities that could be considered a conflict or a potential conflict. Conflict of Interest Declaration forms covering employment and activities that meet the criteria listed

| UTAH DEPARTMENT OF HUMAN SERVICES POLICY AND PROCEDURES | | |
|--|---|-------------|
| Reference: 02-02 | Effective Date: July 1, 1991 Revision Date: May 22, 2000 | Page 5 of 6 |
| Subject: CONFLICT OF INTEREST | | |

below will be forwarded to the director of the Division/Institution/ Region/Office for approval.

1. Outside employment exceeds 20 hours per week. (Supervisors will submit with the Conflict of Interest Declaration form an analysis of the impact the employment could have or has upon the employee's ability to perform assigned work.)
 2. Outside employment is with a contractor who currently provides services to clients of the Department.
 3. The outside work involves (a) providing services to a current client of the Department or to a person who has been a client within the preceding six months, (b) the employee has or previously had direct work-related contact with the client, and (c) the outside work involves a fee when such fees are paid directly to the employee, a relative of the employee, or a business owned wholly or in part by the employee.
 4. The outside volunteer service includes service on a policy making or advisory board of an institution or agency that does business with the Department.
- B. Division/Institution/Region/Office Directors have the option to convene a panel of senior managers/supervisors to review Conflict of Interest Declaration forms received. The panel will consider the following criteria in making their recommendation for Director approval:
1. Does the outside employment interfere with efficient performance of the employee's position with the State? (R468-9-1 (1)(a))
 2. Does the outside employment conflict with the interests of the agency or the State of Utah? (R477-9-2 (1)(b))
 3. Is the employment the type that could reasonably give rise to criticism or suspicion of conflicting interests or duties? (R477-9-2 (1)(c))
 4. Would the outside employment provide a proven benefit to the State?
 5. Would failure to approve the outside employment prove an extreme hardship to the client or employee?

IV. **Submission and Maintenance of Conflict of Interest Forms:**

Declaration Forms: All full-time, part-time, contracted employees, volunteers or board members engaged in outside employment or engaged in activities with a conflict of interest or potential for conflict of interest are required to submit a Conflict of Interest Declaration form to their immediate supervisor annually on July 1. In addition, before an employee starts new outside employment or a new activity with a potential conflict, a Conflict of Declaration form shall be submitted to their

immediate supervisor. Status changes in previously approved outside employment or activities require a new submission of an updated form before the change takes place or within 30 days of such status

| UTAH DEPARTMENT OF HUMAN SERVICES POLICY AND PROCEDURES | | |
|--|---|-------------|
| Reference: 02-02 | Effective Date: July 1, 1991 Revision Date: May 22, 2000 | Page 6 of 6 |
| Subject: CONFLICT OF INTEREST | | |

change if it is not possible to submit the Declaration beforehand. Approved forms and forms denying a request for involvement in an outside employment or activity shall be filed in the employee's personnel folder. Conflict of Interest Declaration forms approved by Division/Institution/Region/Office Directors will be returned to the location where the employment record is maintained for filing.

- V. **Violations and Disciplinary Actions:** If an employee fails to notify his/her supervisor and is subsequently determined to be engaged in an outside activity that should have been reported, Directors shall take appropriate disciplinary action. The disciplinary action will take into consideration Utah Code Chapter 67-16.
- VI. **Grievances:** Employees who disagree with a supervisor's denial of outside activities may appeal to the Division/Institution/Region/Office (DIRO) Director for reconsideration. Appeals from a DIRO Director decision may be made to the Executive Director or Deputy Director.
- VII. **Audits:** During the internal audit of an organization, or at any other time considered appropriate, the Bureau of Internal Review and Audit (BIRA) will review a representative number of employee Conflict of Interest Declaration forms. The audit will review proper and timely submissions, approvals or denials, and conformity of approval or denial to current Department and State policy.



DATE: 05-22-00

Robin Arnold-Williams, Executive Director
Department of Human Services

UTAH DEPARTMENT OF HUMAN SERVICES
CONFLICT-OF-INTEREST DECLARATION

| | | | |
|--|--|------------------------|------------------------|
| NAME | | DATE | |
| EMPLOYEE / BOARD MEMBER STATEMENT | | | |
| | | | |
| | | | |
| 1. CURRENT DHS POSITION | | | |
| Position Title: | | Agency: | Low Org: |
| Supervisor: | | Hours worked per week: | |
| Duties: | | | |
| | | | |
| | | | |
| 2. OUTSIDE ACTIVITY | | | |
| Name of Organization: | | Position Title: | |
| Duties: | | | |
| | | | |
| | | | |
| <input type="checkbox"/> Employed <input type="checkbox"/> Volunteer | | Work Schedule | Hours worked per week: |
| Expected duration of employment / volunteer activity / other: | | | |
| Relationship Disclosure: | | Name: | |
| | | Relationship: | |
| Other Disclosure: | | | |
| 3. ACTIONS TAKEN TO ENSURE THAT CONFLICTS OR POTENTIAL CONFLICTS WILL NOT OCCUR | | | |
| | | | |
| | | | |
| 4. CERTIFICATION | | | |
| I have read the DHS Conflict –of-Interest policy and feel that: <i>(check one)</i> <input type="checkbox"/> My outside activity does not constitute a conflict of interest. <input type="checkbox"/> My outside activity may constitute a conflict, but request review/approval. | | | |
| _____ Employee Signature | | _____ Date | |
| SUPERVISOR ACTION | | | |
| <div style="text-align: center;"><input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> Referred</div> <p style="text-align: center;">If “Referred” block is checked, outside activity appears to meet requirements of the Department Conflict-of-Interest policy which requires submission to Director of Division, Office, Region, or Institution for review.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"><div style="width: 45%; text-align: center;">_____ Supervisor Signature</div><div style="width: 45%; text-align: center;">_____ Date</div></div> | | | |
| DIRECTOR ACTION | | | |
| <div style="text-align: center;"><input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> Conditional Approval</div> <p style="text-align: center;">If “Conditional Approval” block is checked, terms of approval are:</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"><div style="width: 45%; text-align: center;">_____ Director Signature</div><div style="width: 45%; text-align: center;">_____ Date</div></div> | | | |